

**U.S. DEPARTMENT OF ENERGY
FY 1998 CONGRESSIONAL BUDGET REQUEST
DEPARTMENTAL ADMINISTRATION
(Tabular dollars in thousands, Narrative dollars in whole dollars)**

OFFICE OF THE SECRETARY

PROGRAM MISSION

The Office of the Secretary sets the overall policy direction and tone for the Department of Energy in fulfilling its missions related to national security, environmental quality, energy resources, and science and technology.

The GOALS of the Office of the Secretary are to:

Coordinate the efforts of the Department of Energy to reduce global nuclear danger; restore, stabilize, protect and enhance the environment; develop and deploy clean energy sources and enhance energy security; stimulate U.S. economic productivity; and leverage the Department's unique science and technology capabilities to provide knowledge that drives the nation's future.

The OBJECTIVES related to these goals are:

- o Effectively support and maintain a safe, secure, reliable, and smaller stockpile without underground nuclear testing, safely dismantle and dispose of excess weapons, and provide technical leadership for national and global nonproliferation to reduce the continuing and new nuclear dangers in the world.
- o Protect public health and the environment by understanding and reducing the environmental, safety, and health risks and threats from DOE facilities and develop the technologies and institutions required for solving domestic and global environmental problems.
- o Develop and deploy energy efficient and renewable energy technologies; advance the efficient and environmentally responsible production, transportation and use of conventional energy sources; create sustainable energy technologies with high export potential; promote an equitable system of energy supply and end use for all consumers; and reduce the vulnerability of the United States to energy supply disruptions.
- o Improve U.S. economic competitiveness by activities that stimulates the creation of high-wage jobs through research and development partnerships with industry, diversity in research and development collaborations, efficiency and pollution prevention, and global DOE technology usage and exports.

- o Utilize the unique scientific and technological resources of our laboratories and universities to perform world class basic and applied research in commercial and national security arenas that will advance U.S. security and economic productivity. The Department will continue to support a wide national science and technology portfolio in support of its missions.

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I. Mission Supporting Goals/Ongoing Responsibilities:

The Office of the Secretary sets the policy direction and tone for Department of Energy activities, which contribute to the welfare of the Nation by providing the technical information and the scientific and educational foundation for the technology, policy, and institutional leadership necessary to achieve efficiency in energy use, diversity in energy sources, a more productive and competitive economy, improved environmental quality, and a secure national defense.

Program Direction has been grouped into four categories:

Salary and Benefits provide funding for full-time permanent and other than full-time permanent employees, in the following classes: salaries and wages, overtime pay, cash incentive awards, lump sum leave payments, other performance awards, and payments to funds for the benefit of employees.

Travel provides funding for the Secretary, Deputy Secretary, Under Secretary, special assistants, and security detail to travel both internationally and domestically in support of the Department's missions.

No Support Services.

Other Related Expense provides funding for employee training and development.

II. Funding Table:

	<u>FY 1996 Enacted Appropriation</u>	<u>FY 1997 Original Appropriation</u>	<u>FY 1997 Adjustment</u>	<u>FY 1997 Current Appropriation</u>	<u>FY 1998 Budget Request</u>
Salary and Benefits	\$ 2,143	\$ 2,539	\$ 0	\$ 2,539	\$ 2537
Travel	307	307	0	307	307
Support Services	0	0	0	0	0
Other Related Expenses	50	6	0	6	6
Subtotal, Program Direction	<u>\$ 2,500</u>	<u>\$ 2,852</u>	<u>\$ 0</u>	<u>\$ 2,852</u>	<u>\$ 2,850</u>
Total Obligational Authority	\$ 2,500	\$ 2,852	\$ 0	\$ 2,852	\$ 2,850
Use of Prior Year Balances 1_/	---	\$ -852	\$ 0	\$ -852	---
Total Budget Authority	<u>\$ 2,500</u>	<u>\$ 2,000</u>	<u>\$ 0</u>	<u>\$ 2,000</u>	<u>\$ 2,850</u>
FTEs	20	23	0	23	22
EOY	20	23	0	23	22

1_/ Provides for the use of prior year unobligated balances in FY 1997 . There is no increase in requirements in FY 1998.

III. Performance Summary:FY 1996 Measurable Performance Activities:

- o Achieved SAI savings in FY 1996 of \$377 million, 70% more than the \$221 million, target by reducing Federal staff by 13 percent, reengineering, and decreasing operational costs through office closings, consolidations, and organizational efficiencies.

- o The progress in implementing Strategic Alignment has resulted in overall Federal staffing reduction of 1,836 from the FY 1995 base through September 1996. This was 456 below our reduction target for FY 1996. Much of the reduction has been accomplished through retirements and attrition. Projected annualized savings due to staff reductions are \$10 million ahead of SAI Target. Support Services contract expenditures were reduced by \$184 million from the FY 1995 baseline, travel savings were \$40 million with savings \$5 million ahead of target, and savings from information resources management resulted in \$88 million producing \$58 million more than the original target. Under Strategic Alignment, the Department has also closed eight field sites and five Headquarters locations, and received legislative authority for the sale of Alaska Power Administration and the Elk Hills Petroleum Reserve.
- o Improved the DOE average supervisor to employee ratio by 55% since the beginning of FY 1995.
- o Replaced bureaucratic internal and contractor oversight activities with effective self assessments, and completed self assessments in 95 percent of Headquarters and 83 percent of Field organizations establishing a baseline for improved quality processes.
- o Received 27 Vice President Gore “Hammer Awards” for initiatives resulting in billions of dollars in cost avoidance over the next five years.
- o Consolidated Business Management Oversight Reviews, eliminating over 300 annual reviews, saving over \$10 million.
- o Centralized FOIA/Privacy headquarters operations to ensure compliance with 10-day statutory response time. Reduced FOIA backlog from 208 cases to 30 .

FY 1997 and FY 1998 Measurable Performance Activities:

- o Continue progress toward Strategic Alignment Initiative goals.
- o Achieve SAI savings of \$304 million in FY 1997, by reducing staff by an additional 9 percent and decreasing operational costs through office closings, consolidations, and organizational efficiencies. FY 1998 SAI savings target is \$393 million.
- o Continue to use workforce management tools such as buyouts (FY 1997 only), attrition, outplacement efforts, managed hiring, and involuntary separations to achieve a staffing target of 10,874 by October 1998.
- o Continue to reduce levels of management (improve supervisor to employee ratio and attain 1 to 15 by FY 1999).
- o Increase employee responsibility by delegating more authority to the field, by sharing resources, and promoting cross-servicing arrangements.

- o Continue efforts initiated in FY 1995 to lessen the burden of the Department's regulations.
- o Continue to improve contract reform and performance measurements to increase accountability in all our activities.

IV. Explanation of Funding Changes FY 1997 to FY 1998:

The decrease of \$2K in Personnel Compensation and Benefits reflects the full effect of the pay raise, offset by the reduction of one FTE, and the use of prior year balances in FY 1997.

Travel and Other Related Expenses requirements do not change.